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Follow-up to and implementation of the outcome of the
International Conference on Financing for Development

Qatar: * draft resolution

Follow-up to and implementation of the outcome of the International Conference on Financing for Development

The General Assembly,

Recalling the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and its resolutions 56/210 B of 9 July 2002, 57/250 of 20 December 2002, 57/270 B of 23 June 2003, 57/272 and 57/273 of 20 December 2002 and 58/230 of 23 December 2003, as well as Economic and Social Council resolutions 2002/34 of 26 July 2002, 2003/47 of 24 July 2003 and 2004/64 of 16 September 2004,

Taking note of the report of the Secretary-General on follow-up to and implementation of the International Conference on Financing for Development, prepared in collaboration with the major institutional stakeholders,¹ and the note by the Secretary-General on innovative sources of financing for development,²

Having considered the summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions and the World Trade Organization, held in New York on 26 April 2004,³

Determined to continue to implement and build further on the commitments made and agreements reached at the International Conference on Financing for Development and to strengthen the coordinated and coherent engagement of all relevant stakeholders in the financing for development process,

* On behalf of the States Members of the United Nations that are members of the Group of 77 and China.

¹ A/59/270.

² A/59/272.

³ A/59/92-E/2004/73.



Reiterating the invitation to the World Trade Organization to strengthen its institutional relationship with the United Nations, particularly in the context of the follow-up to the International Conference on Financing for Development,

Welcoming international efforts aimed at identifying innovative and additional sources for financing development,

Welcoming with satisfaction in this regard the initiative launched by the Presidents of Brazil, France and Chile and the President of the Government of Spain, with the support of the Secretary-General, to convene in New York on 20 September 2004 a meeting of world leaders on action against hunger and poverty, and the resulting New York Declaration which has been supported by 109 countries,

Recognizing the link between financing for development and the achievement of the Millennium Development Goals,

1. *Reiterates* the call to implement fully and build further on the commitments made and agreements reached at the International Conference on Financing for Development;

2. *Underlines*, in order to complement national development efforts, the importance of the full implementation of the commitment to enhance further the coherence and consistency of international monetary, financial and trading systems and in this context requests the Secretary-General to keep the actions taken under review;

3. *Stresses* the importance of the full involvement of all relevant stakeholders in the implementation of the Monterrey Consensus of the International Conference on Financing for Development⁴ at all levels, and stresses also the importance of their full participation in the Monterrey follow-up process, in accordance with the rules of procedure of the United Nations and established modalities;

4. *Requests* the Secretary-General to consult with the Director-General of the World Trade Organization in order to build on the ad hoc modality of interaction between the United Nations and the World Trade Organization in the preparations for the International Conference on Financing for Development and to propose possible modalities to strengthen this relationship, including the participation of the United Nations in discussions of issues related to financing for development held under the auspices of the World Trade Organization;

5. *Recognizes* the issues of particular concern to developing countries acknowledged by world leaders in paragraph 28 of the Monterrey Consensus, and the importance and critical role that a universal, rule-based, open, non-discriminatory and equitable trading system would play in stimulating economic growth and development, particularly in the case of the developing countries where trade continues to be one of the most important sources of development financing and in this regard, while welcoming the decision taken by the General Council of the World Trade Organization on 1 August 2004, stresses the need to retain the development dimension in the negotiations, as mandated by the Doha work programme;

⁴ See *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7).

6. *Underlines* the need to consider the establishment of innovative financial mechanisms for financing development, as appropriate, to support the efforts of developing countries to achieve sustained economic growth and sustainable development;

7. *Decides* to give further consideration to possible innovative sources of financing for development, including financing for the fight against hunger and poverty, during the fifty-ninth session of the General Assembly, building in particular on the discussions initiated at the meeting of world leaders, with a view to feeding into the high-level plenary meeting of the General Assembly to be held at the commencement of the sixtieth session of the Assembly pursuant to resolution 58/291 of 6 May 2004 and in this regard requests the Economic and Social Council to consider the issue of innovative sources of financing for development at its meetings to be held in 2005, including its high-level spring meeting;

8. *Reaffirms* the need to adopt policies and undertake measures to reduce the cost of transferring migrant remittances to developing countries;

9. *Notes* that, while foreign direct investment is a major source of financing development, the flow of such funds to developing countries remains uneven and in this regard calls upon developed countries to consider ways and means to stimulate source country measures to promote the flow of foreign direct investment in order to complement the domestic efforts made by developing countries to create a conducive environment for attracting investment;

10. *Expresses concern* about the insufficient levels of official development assistance which are below the internationally agreed target of 0.7 per cent of gross national product, urges the developed countries to fulfil this target as soon as possible and in this regard calls for enhanced and predictable aid flows to ensure the sustainability of the development efforts of developing countries;

11. *Stresses* that debt relief must play a key role in achieving the Millennium Development Goals and that the definition and calculation of debt sustainability should relate to the capacity of a country to achieve its development goals; and stresses also the need to recognize the country-specific character of sustainability, to apply greater case-by-case flexibility in the setting and implementation of thresholds and to consider debt scenarios in the face of possible external shocks, while linking debt policy more closely with growth and development, as recognized by the International Monetary Fund and the World Bank;

12. *Notes* the lack of sufficient progress in the heavily indebted poor country process dealing with the debt of low-income countries and in this regard welcomes the proposals put forward calling for significant increases in grants and debt relief, including those that would provide up to 100 per cent debt relief from the international financial institutions;

13. *Expresses concern* that the issue of strengthening the voice and effective participation of developing countries in the decision-making processes of the Bretton Woods institutions and the World Trade Organization has not yet been adequately addressed and in this regard invites these institutions to continue to examine this issue through the implementation of the principles of full and equal participation in their respective decision-making processes;

14. *Emphasizes* that corruption at all levels is a serious barrier to development and to effective resource mobilization and allocation, reaffirms the commitment expressed in the Monterrey Consensus to make the fight against corruption at all levels a priority, encourages all Governments to combat corruption, bribery, money-laundering and the transfer of illicitly acquired funds and assets and to work for the return of such funds and assets to the countries of origin, and welcomes the action taken in that regard at the national and international levels;

15. *Decides* to consider, by the first part of 2005, the appropriate modalities for holding the high-level dialogue on financing for development, taking into account developments in the preparations for the high-level event of the General Assembly to be held in 2005;

16. *Decides also* to consider at the high-level dialogue on financing for development in 2005 the timing and modalities for a follow-up conference to review the implementation of the Monterrey Consensus, as called for in paragraph 73 of the Consensus;

17. *Emphasizes* the need for an effective intergovernmental follow-up mechanism for the International Conference on Financing for Development and in this regard decides to consider the creation of an intergovernmental, geographically balanced committee for the effective follow-up of the Monterrey process;

18. *Requests* the Economic and Social Council to explore the adoption of a multi-year programme of work for its high-level spring meeting;

19. *Decides* to include in the provisional agenda for the sixtieth session of the General Assembly the item entitled "Follow-up to and implementation of the outcome of the International Conference on Financing for Development", and requests the Secretary-General to submit under this item an annual analytical assessment of the state of implementation of the Monterrey Consensus and of the present resolution, to be prepared in full collaboration with the major institutional stakeholders.